



**State of Rhode Island  
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**March 25, 2016**

<b>ADDENDUM # 1</b>
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**RFP: # 7550389**

**Title: Administration of the RI Children's Health Account**

**Bid Closing Date & Time: April 5, 2016 at 11:00 AM (Eastern Time)**

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**Notice to Vendors:**

**ATTACHED ARE VENDOR QUESTIONS WITH STATE RESPONSES.  
NO FURTHER QUESTIONS WILL BE ANSWERED.**

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Interdepartmental Project Manager**

*Interested parties should monitor this website, on a regular basis, for any additional information that may be posted.*

**Vendor Questions for RFP# 7550389 Administration of the RI Children's Health Account**

Question 1: In question #17 under "Section 3: Scope of Work," the language states that "the vendor will complete the above activities in the historical period, starting January 1, 2016 and on the current period." The vendor is asked to provide a plan for collecting the appropriate data for the historical period referenced above. However, "Section 1: Introduction" states that June 1, 2016 will be the starting date for the contract. We therefore are requesting more specific information on the activities mentioned above. In particular, do you want us to collect assessments in arrears for the period of January 1, 2016 to June 1, 2016? If so, how will this process affect the due dates for current deliverables under the contract?

Answer to question 1:

*The vendor will be required to collect the Children's Health Account assessment dollars in arrears for the first two quarters of 2016 (January 1, 2016 through June 30, 2016). The vendor will be required to notify the insurers that their first bill will be for retroactive expenses back to January 1, 2016, in accordance with RIGL 42-12-29. The insurers will also be required to pay this bill within 30 days of receipt.*

Question 2: Secondly, in question #19 under "Section 3: Scope of Work," the language states that there shall be an annual review of the assessment process "by an independent third party or the State for calculation accuracy and reliability." Are the audit fees bundled into the contract or are they separate? Also, would it be deemed appropriate to engage for this task the auditor that is selected by the RIVAP, since both entities will be using the same database and collections processes?

Answer to question 2:

*The audit fees for the annual audit review should not be included in the vendor's cost proposal..*

Question 3: General

Is there a specific budget allocated to the 3-year initial contract? What is the annual State budget for this project during the optional years?

Answer to question 3:

*The budget information is not available.*

Question 4: General

Which State entity and/or vendor is currently responsible for collecting the premium tax assessment on commercial insurance premiums that has supported the Children's Health Account prior to 2016?

Answer to question 4:

*Hewlett-Packard Enterprise, the State's operational services vendor, has been responsible for the billing and collection of the tax assessment from insurers for the Children's Health Account under the prior assessment protocol.*

Question 5: Section 3, page 7

What is the State's approach and timeline for phasing out the premium tax assessment and phasing in the new assessment based on PMPM calculation? When must the first online billing and collection functionality be in use?

Answer to question 5:

*The State is required to adopt RIGL 42-12-29, effective January 1, 2016. Assuming a June 1, 2016, contract start date, the State expects the vendor would be ready to bill the insurers, for retroactive expenses back to January 1, 2016, on or around July 1, 2016.*

Question 6: Section 3, page 5, #5

Will the "membership count" information required to perform the assessment be provided by the insurers or via an existing data repository within the State? Will "membership" data need to be validated against specific claims data?

Answer to question 6:

*The membership counts will be derived from the information provided by the insurers. The State does not have a mechanism to collect or validate the counts.*

Question 7: Section 3, page 7 # 14

What types of "accounting reports" and information does the State require? Approximately how many reports are required and who is the audience for each report (e.g., EOHHS management, other State agencies, the legislature, or insurers, etc.)

Answer to question 7:

*EOHHS management, State auditors, and other State agencies will be receiving and reviewing the vendor's system reports. The State legislature will also receive specific data from these reports. The reports should be available quarterly, be in electronic format, and include the following information:*

- 1. Current insurers including their membership counts;*
- 2. Summary and detailed billing reports to the insurers;*
- 3. Receipts collected from the insurers;*
- 4. Outstanding balances due from the insurers.*

*Other reports may be required as needed.*

Question 8: Section 3, page 8 # 15

Per page 8 of the RFP, what types of “audit reports” and information does the State require? Is there a specific audit vendor or timeframe where these audits normally occur?

Answer to question 8:

*The State requires assurances that the vendor's system is functioning properly and in accordance with the terms and conditions of the contract. The State, therefore, requires from the vendor such information as detailed in the Proposal, Question #18, under “Section 3: Scope of Work”, for example, SSAE 16, SOC 1 or 2, etc.*

Question 9: Section 2, page 5

Approximately how many children or families currently receive services in the service categories described on page 5 of the RFP on an annual basis? Specifically, what is the annual or quarterly count of individuals receiving the following: 1) home health services home health services, which include pediatric private duty nursing and certified nursing assistant services; (2) comprehensive, evaluation, diagnosis, assessment, referral and evaluation (CEDARR) services, which include CEDARR family center services, home based therapeutic service, personal assistance services and supports (PASS), and kids connect services and (3) child and adolescent treatment services (CAITS)?

Answer to question 9:

*The unique users per month, for the prior billing period, for each of the CHA category of services are as follows:*

<i>1. Home Health Services -</i>	<i>588</i>
<i>2. CEDARR Services -</i>	<i>2,489</i>
<i>3. CAITS -</i>	<i><u>53</u></i>
<i>Total</i>	<i>3,130</i>

Question 10: General

Does the State expect this new on-line system to interface directly with other State IT systems? If so, which ones?

Answer to question 10:

*The State does not expect that this new on-line system will interface directly with other State IT systems. The State does expect, though, that the primary State authorized user(s) will have access to the vendor's system to review billing and financial activities of the insurers.*

Question 11: General

Which additional agencies does the State believe the vendor will have to collaborate with in order to collect the necessary information as described on page 6?

Answer to question 11:

*The State expects the vendor to exercise its due diligence to obtain membership information from the appropriate State agencies.*

Question 12: General

Does the State have a targeted participation rate of insurers that would be used as a part of the success criteria for this project?

Answer to question 12:

*Under the previous assessment protocol, the State's prior year billings show approximately 200 insurers with 100% participation rate from all insurers.*

Question 13: Section 3, page 8, #17

For the activities which are required to be completed prior to January 1<sup>st</sup> during the historical period per page 8, is there a current system or interface where the data should be collected from or is the expectation to obtain the historical data from the insurers? Is there any requirement on the timeframe the State has defined as the "historical period"?

Answer to question 13:

*The vendor will be required to collect the historical membership data from the insurers. The vendor will also be required to notify the insurers that their first bill will be for retroactive expenses back to January 1, 2016, in accordance with RIGL 42-12-29. The vendor should be issuing the first bill to the insurers on or around July 1, 2016. The insurers should pay this bill within 30 days of receipt.*